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THE JERUSALEM POST
THURSDAY,
DECEMBER 8, 1951

SCHARF'S
FURS
ELEGANT
DRESSES
The Pillars, Rehov Jaffa,
Jerusalem

Column One
By David Courtney

Thirty Injured In Cairo Riots

CAIRO, Wednesday. — Steel-helmeted Egyptian police wounded 30 Egyptian workers and students when they opened fire to quell an anti-British demonstration in Cairo. Five policemen and a police inspector were also hurt before a state of emergency was proclaimed in the city at noon. Reinforcements were sent to guard embassies, legations and consulates throughout Cairo after the incidents.

Police opened fire on a crowd protesting against recent gun battles in the Canal Zone between British troops and Egyptians. The demonstrators replied with a shower of steel bars and Coca Cola bottles stolen from an overturned lorry.

Police cordoned off the Bulak district, where the demonstrating workers came from a

U.N. Waiting For German Envoys

PARIS, Wednesday (Reuters). — Invitations have been sent to representatives of both East and West Germany to attend the U.N. General Assembly here and join in discussion on whether it is possible to hold "free and secret" elections throughout the whole country.

The Assembly President, Mr. Louis Padilla Nervo of Mexico, said the invitations were dispatched last night following the decision of the Special Committee.

The Committee adjourned today to await the arrival of the German representatives.

Government To Get 51 Per Cent Of Potash Shares

By Robert Gary, POST Reporter

Announcing that a tentative agreement on the Dead Sea works had been reached between the inter-ministerial committee studying the problem and directors of Palestine Potash Ltd., Minister of Finance Eliezer Kaplan told the Knesset yesterday that operations at the plant's southern works may be resumed by next April.

Further meetings are scheduled to work out a number of details. The first one will be held today in Tel Aviv. The agreement in principle which was initiated yesterday is subject to the approval of the Cabinet and company shareholders.

Kaplan Sets Nine-Year Limit for Foreign Aid

Forecasts Drastic Measures

Independence of foreign economic aid between 1957 and 1960 is the target of the Government's fiscal policy, the Knesset was told yesterday by Finance Minister Eliezer Kaplan in a two-hour budget speech. He warned of increasing hardships, suffering and "perhaps even shocks during the interim" when the foreign aid funds would be sunk into capital investments, thus widening the gap between supplies and consumption.

Mr. Kaplan said the situation called for a more "drastic" economic policy and he gave the House an idea of some of the measures he had in mind: "A more drastic policy, particularly in agriculture. Work on Government relief projects (where tens of thousands of immigrants are employed clearing roads and planting trees) will be made less attractive."

As an effort to increase output and productivity, raw materials will be distributed in accordance with the efficiency of plants producing standard products at fixed prices. Supplies will be cut off from plants violating control regulations or making speculative profits.

Wherever possible, a system of payments by bonuses and premiums should replace daily wages. Mr. Kaplan spoke bitterly about the reduced output and denounced the slogan of "less work and more pay or profit."

"This is a fight to divide a cake which is not big enough to satisfy the public. The result will be inflation, which threatens our future," he said.

Tax Cuts for Low Income Groups

He explained that whereas a couple with a child now pays IL.59 tax on an income of IL.500, it will pay nothing under the new scheme. Medium income groups will pay about 10 per cent less, but will be able to benefit from new allowances for overtime pay and premiums for higher output.

There will be substantial reduction in the taxes of groups with incomes exceeding IL.2,000. Mr. Kaplan said, but he argued that their will not result in a material loss to the Treasury. He said earners in these high brackets have evaded tax payments by establishing companies (the maximum rate for company profits was 50 per cent), and by making incomplete declarations.

The new tax on capital gains, Mr. Kaplan said, is actually an extension of the Betterment Tax on real estate sales.

He declared that the proposal to introduce tax credits for dependents and for insurance and medical fees, instead of personal deductions, is designed to abolish the "freezing point" which was the cause of a big jump in assessments, and will benefit low-income groups.

Budget Reflects Inflation Fight

Finance Minister Eliezer Kaplan told the Knesset yesterday that the IL.113,567,000 Ordinary Budget, the IL.85,000,000 Development Budget and the secret "Defence" Budget for the current fiscal year will be balanced without the issuance of any further Government securities.

He said no Treasury bills had been printed since March to cover the Defence Budget and it was now proposed to suspend the issue of land bonds as well. These will be important measures to combat inflation which must be introduced even if they mean painful reductions in expenditure.

Mr. Kaplan pointed with satisfaction to the fact that the defence appropriation out of the Ordinary Budget now reached IL.38,000,000 and the security costs were thus now covered by internal revenue. The Defence appropriation last year was IL.15m. Another innovation was the IL.5m. for absorption of immigrants. This has hitherto been the responsibility of the Jewish Agency which has received some funds from the Development Budget. Mr. Kaplan referred to the growth of the appropriation for repayment of debts to IL.4,300,000 from IL.3,300,000 last year.

No Rise in Output

The speaker said that industrial output has increased either negligibly or not at all since 1950, while agricultural production has increased by 11 per cent. The increases have not been commensurate with the growth of population, Mr. Kaplan said.

He also estimated that economic property had risen by a third since the State was founded, while the population had doubled. "This was one of the objective reasons for the gap in production," Mr. Kaplan declared.

Measures to introduce a "planned price policy" to increase agricultural production will be taken.

He said the two main difficulties were the foreign currency crisis and inflation.

THIS weekend the European foreign ministers will go to Strasbourg.

Mr. Eden, excusing himself to the German Chancellor, who is on a state visit to London, will get there, it is hoped, early next week. He may have something a little more reassuring to say than the Home Secretary had, but it is doubtful indeed if he will be able to satisfy the French or the Belgians, the Germans, for they, too, are at Strasbourg, or to make the delegate of Greece feel better. For good or ill, Britain would seem to be in no hurry to pool its sovereignty for the sake of a hazy ideal, an uncertain plan which, as like as not, would be wholly unworkable in practice; and the only visible basis of which, aside from the Schuman plan, is a design for a European army. And the trouble with the European army is that it is not really a genuine attempt at European unity but a desperate attempt to find safeguards against the resurgence of German military dominance. It is a good thing to put safeguards against the Germans, but it is not a good foundation for a United States of Europe.

Egypt's Total TOLL

CAIRO, Wednesday (Reuters). — The Egyptian Ministry of Interior said tonight that 17 Egyptians had been killed and 438 wounded in the seven weeks since Egypt abrogated the treaty with Britain.

Iraq Urges Arabs Ignore Shishakly

CAIRO, Wednesday (UP). — Iraq today asked the Egyptian government to support her in withholding recognition from the new Syrian regime. Iraqi Minister Nuri el-Rawi called on Acting Foreign Minister Ibrahim Faraj Pasha and informed him of Iraq's decision.

Israel May Urge U.N. Changes on Germany

By a Political Correspondent

TEL AVIV, Wednesday. — The Israeli delegation to the U.N. is now understood to be preparing its attitude towards future discussions on German elections in the Special Committee. The two possibilities before the delegation are to accept the overwhelming vote in the Special Committee last night in favour of inviting German representatives, or to press as far as possible for amendments in the terms of reference of the commission which is to be set up to study the possibility of holding free all-German elections.

It is thought that yesterday's vote will lead, in the long run, to the acceptance of Germany within the world family of nations. It is possible that amendments put forward by Israel would be designed to ensure that the commission should not only oversee the technical details of the election, but also ensure that even if it said some of its members to be of doubtful loyalty, they would be brought back to a form of democracy and to eradicate Nazi and neo-Nazi elements.

Informed quarters here believe that Israel may find a number of supporters for such amendments. A controlling voice even if it said some of its members to be of doubtful loyalty, they would be brought back to a form of democracy and to eradicate Nazi and neo-Nazi elements.

Majority on Board

Another clause in the agreement is said to give the Government a guarantee that it will always have the right to name a majority of the new enterprise's Board of Directors. This point would give the Government a controlling voice even if it said some of its members to be of doubtful loyalty, they would be brought back to a form of democracy and to eradicate Nazi and neo-Nazi elements.

Joint Returns

Mr. Kaplan discussed the proposed reforms designed to enable working wives to choose between submitting joint returns with their husbands or separate returns. He noted that separate returns will be worth while only if the joint income exceeds IL.1,000.

The Finance Minister also said that the absorption of immigrants' tax and the war surplus will not be used to raise more money. To promote the "pay as you earn" system, the Treasury will allow five per cent deductions on taxes remitted under this system.

Mr. Kaplan estimated that a couple with a child will pay an income of IL.1,000, approximately two per cent; on IL.1,500, 12 per cent; on IL.2,000, 20 per cent; on IL.3,000, 30 per cent; on IL.4,000, 40 per cent; on IL.5,000, 45 per cent; on IL.6,000, 50 per cent; on IL.10,000, 60 per cent.

Overhauling Needed

The proposed income tax reforms were only the beginning, Mr. Kaplan said. The tax laws are the whole needed overhauling. He indicated that there were discussions to increase taxes on motor vehicles, while the inheritance and luxury taxes will be reviewed. A motion will be introduced to increase the maximum rate of the luxury tax from 35 to 75 per cent.

In discussing the Development Budget, Mr. Kaplan said that the floating of the dollar-linked bonds issue would raise more money than the proposed law will be proposed to enable foreign insurance and transport companies to buy these bonds.

Other disclosures were: That electrical equipment with a 200,000 kilowatt capacity have been ordered by the Palestine Electric Corporation and the plant for 50,000 kilowatts will come in 1952.

Mr. Kaplan said this is a transition budget and that in the future revenue from taxation will cover part of the Development Budget.

IL.99 MILLION

TEL AVIV, Wednesday. — Currency in circulation rose by just over IL.2m. last week. The IL.2,032,000 rise brought the total to IL.98,917,738.500 at the close of business tonight. Government landbonds rose by IL.1,632,000 to IL.78,320,000 while there was an increase of IL.400,000 in Treasury bills, bringing them to IL.19,830,000.

A 20-point increase in the wholesale price index was recorded by the Central Bureau of Statistics for October, according to figures published yesterday. The index rose from 437 in September to 447 in October (and 68 points since October 1950). While the wholesale price of fish, meat and eggs remained unchanged during the month at 408 points, other foodstuffs rose by 23 points and "fuel and various" by 40 points.

During October, edible oils rose by 44 per cent, margarine by 37 per cent and washing soap by 39 per cent.

BRITAIN, of course, whilst quite willing and possibly proud to admit to being European, draws a very sharp distinction between herself and what lies on the other side of that great, cold stream, the English Channel: in a word, she is not of continental Europe.

Indeed she is not. Her culture has been affected by it. But her political institutions are her own. Her political parties bear very little resemblance to political parties of similar name and apparently similar principles on the Continent. Any British Labour man will tell you that: not for him the Socialism or Social Democracy of the temperamental Continent. Mr. Churchill, for all his occasional dalliance with the European ideal, is probably not very different from the Labour man: not, at any rate, as long as NATO offers what to him is something better — the broader, richer union of the Atlantic, with America in it.

BRITISH AIRLIFT TO CYPRUS ENDS

By Shabb Guebenlian, POST Correspondent

NICOSIA, Wednesday. — Britain's strategic reserves, which have been building up in Cyprus for some time now were completed today. The big airlift from Britain which started ten days ago ended when the last RAF Hastings touched down here this afternoon and landed 42 men of the 2,436-strong force which has been rushed here by air.

Part of the 30th Brigade and all of the 32nd Brigade, both of the Third Division, have been nearly 6,000-strong and ready to rush to the Canal when required, or rather when the command to receive them.

Standards Clarified At Big 4 Talks

PARIS, Wednesday (AP). — The U.N. Assembly President, Senor Luis Padilla Nervo, indicated today that the USSR and the Western powers are making progress towards clarifying just where they stand on the disarmament question.

There was no indication, however, that the four had reached any substantial agreements.

At the end of the fifth secret Big Four disarmament talks, Senor Nervo told reporters: "It is my own personal opinion that never before at discussions at which I was present have the problems been so clarified. In certain aspects, the clarification of the respective positions showed that there were not great differences of opinion, while in other aspects it was made more clear on which points there were differences."

Communists Reveal Idea of 'Neutrals'

TOKYO, Wednesday (Reuters). — Communist cease-fire delegates today named two Communist nations, two Scandinavian countries with hospital units in Korea, and Switzerland as the type of neutrals they would be most willing to see an armistice inspection teams.

They gave Czechoslovakia, Poland, Denmark, Sweden and Switzerland to be suitable examples. But the U.N. spokesman said the Communist plan for a neutral team was still hanging in the air. The Allies have neither accepted nor rejected it.

When asked for an example of the countries which would qualify as neutral nations, the Communists stated that those nations which, though members of the U.N., did not send troops to Korea, could be considered.

Britain Won't Act On Suez Blockade

LONDON, Wednesday (Reuters). — Lord Reading, Under-Secretary for Foreign Affairs, answering a protest about restrictions on the passage of British tankers through the Suez Canal, said that Britain did not wish at the moment to extend the area of the dispute with Egypt.

The British service authorities in Egypt were only exercising such controls as would ensure the flow of supplies to British forces in the area. Lord Strathgairn, Labour peer, had asked if the Government was "really going to tolerate this breach of the international law of the Suez Canal indefinitely."

Lord Strathgairn also asked the Government to explain "the circumstances under which Israel left the Suez Canal and whether it was intended to make arrangements to readmit her."

Viscount Selwyn-Ledwich, the Duke of Lancaster, said the arrangement was brought in an end shortly before the mandate in Palestine ended so that Israel was never in the Suez Canal.

He assured Lord Strathgairn that the matter would be given consideration when it arises.

Archbishop Stepinac Freed 'Conditionally'

VATICAN CITY, Wednesday (UP). — High Vatican sources said tonight the Yugoslav Government's release of imprisoned Archbishop Alois Stepinac was a "step in the right direction, but not a solution of this grave problem."

These sources said the Vatican has not received any official information regarding his release as yet.

The official Yugoslav News Agency, Tanjug, monitored in London, said Archbishop Stepinac "has been released conditionally."

President's Condition Remains Unchanged

President Weizmann's condition remained unchanged last evening, it was announced in a special statement issued at 8:10 last night by the President's physicians — the third official statement issued during the day.

The regular morning communiqué on Dr. Weizmann's health, issued at 10 a.m., reported that "the signs of severe inflammation of the respiratory tract continue to improve, but the general weakness, connected with the functioning of the heart and blood circulation, remains."

This was the first time since the President fell ill that more than one official report on his condition was issued in one day. The second communiqué came at five o'clock and, like the third, reported no change.

The President is understood to have slept well on Tuesday night and dined part of yesterday. His appetite is good and he is showing an unabated interest in local and world affairs.

Dr. Weizmann was yesterday visited by members of his family, with whom he spoke cheerfully. Professor Shmuel Bondi, his physician, said he had seen him several times during the day.

The President's son, Benjamin, who is in Israel this morning, Mr. Meyer Weizmann of the Weizmann Institute, Mr. Harry Levine and Mr. David Stone, American friends of the President, are also expected from the U.S. today.

Memoranda written for the President's speedy recovery have been pouring in from hundreds of individuals and groups all over the country and the world. The telephone at the President's residence has been ringing continuously. It is reported.

The Chief Rabbi of the British

After Midnight

The Western Allies have agreed to allow the West Germans to form their own civil air force, but the planes will be piloted and operated for the time being by foreigners. Allied experts reached this decision when they drafted an agreement to allow West Germany to reconstitute the civil aviation.

Iran Parliamentary Election Delayed

TEHERAN, Wednesday (UP). — Premier Mossadegh's original plan to start parliamentary elections by Tuesday has been delayed. A government spokesman said yesterday that preparations were not yet ready.

However, elections are expected to begin within a week at the latest.

Prices Soar

Teheran banks today refused to sell foreign currencies or open credits in foreign exchange following an order from the Persian Cabinet to the National Bank not to sell foreign exchange for imports.

Reason for the order was to save the country's rapidly diminishing reserves of foreign exchange — about \$2m.

The result of today's application of the order was to send prices of imported goods sky high.

British Reserved On Adenauer Visit

By A. V. Sherman, POST Correspondent

LONDON, Wednesday. — The reaction here to the visit of Chancellor Adenauer is extremely sober. His most marked feature is the absence of any pro-German current. This time the Cliveden set shows no disposition to trust Germany or gloss over its defects. The Liberal "Manchester Guardian" characteristically apologizes for Dr. Adenauer with the plea that he is not a typical German.

Although the press and pub-

2,000 Believed Dead In Philippine Eruption

MANILA, Wednesday (Reuters). — Two thousand people are thought to have died in the eruption of the Hibok-Hibok Volcano on the Philippine island of Camiguin yesterday, official sources said today.

The official death-roll today was 141, of whom only 57 victims could be identified. Hundreds of others were treated for burns from the red-hot lava and ash that devastated an area of ten square kms.

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EVERY DESCRIPTION OF BANKING BUSINESS TRANSACTED

Social & Personal

Today's POST BAG

THE WEATHER

Table with 2 columns: Location and Weather/Temp. Locations include Mt. Zion, Tel Aviv, Jerusalem, Haifa, etc.

9,311 persons entered Israel during November... 5,855 immigrants, 1,735 tourists, and 1,921 returning residents.

The regular fortnightly convoy travelled up to Mt. Zion yesterday with a change of guard and 15 members of the University and Hadassah Hospital staff.

December 16 will be celebrated as "U.S. Charter Day" in Israel, in accordance with the U.N. decision to devote one day a year to this purpose.

When a bus driver, Haim Zina, refused to stop his bus between stations, a 17-year-old girl, Madeline Mian, who had asked him to do so, allegedly grabbed the driver's hair and steering wheel and forced him to halt. She was arrested.

For not exhibiting prices for furniture in his shop at 11 Allenby Road, Tel Aviv, Moshe Benaim, the owner, was yesterday fined IL50 by the Anti-Profit-Profiteering Tribunal.

Jerusalem policemen were summoned several times yesterday to restore order in queues outside shops selling underwear. Several persons were arrested and later released on bail.

THREE INJURED WHILE BLASTING ROCKS

While blasting rocks near Beit El in the Jerusalem Corridor yesterday morning, Hayim Hijiari, 50, was seriously injured by a premature explosion. The explosion occurred when a pneumatic hammer struck fragments of TNT left after a previous blasting operation.

Two companions, Shalom Weis, 30, and Shalom Hijiari, 40, were slightly injured.

They were taken in a Jewish National Fund car to the Magen David Ahar in Jerusalem. Hijiari was later admitted to Hadassah Hospital.

Fired Upon While Crossing Lines

Shots were fired over the head of a man who tried to cross the lines yesterday near Rehov Shmuel Hahavi in Jerusalem. As he reached the houses at the eastern edge of the no-man's-land he fell, apparently wounded. Legionnaires took him into custody.

Dozens of school children watched the exchange of shots across the "no-man's-land."

Diplomat Refuses To Return to Hungary

Mr. Albert Lieberman, Commercial Attaché at the Hungarian Legation here, has resigned from his post and decided to remain in Israel despite orders from his government to return to Hungary.

Mr. Lieberman handed his resignation to the Hungarian Charge d'Affaires in Israel, Mr. Istvan Romhányi, last Thursday.

He was the first Hungarian representative in Israel after the founding of the State and came here before diplomatic relations were established between the two states.

Table of Proposed Income Tax

Table with 12 columns: Taxable Income, Old Rate, New Rate, etc. It shows a progressive tax structure with rates increasing as income increases.

NOTE 1. - This table takes into account an expenditure of IL120 for insurance, provision for retirement, sick fund, medical expenses etc. of which 40% (IL48) is deductible from the tax.

NOTE 2. - Five per cent may be deducted from the taxable income for contributions to the State Treasury.

Secretariat of New Histadrut Seamen's Union Holds Its First Meeting

HAIFA Wednesday. - The newly-appointed Secretariat of the Seamen's Union, sponsored by the Histadrut, held its first meeting this morning under the chairmanship of Mr. Shaul Avigdor, of Kinneret, former Director General of the Ministry of Defence, who at one time directed the "illegal" fleet. The meeting dealt with problems related to the new Union's activities.

Mr. Y. Almog, Haifa Labour Council Secretary, who is also a member of the new Union's Secretariat, stated that more seamen had offered to return to their jobs, and that henceforth, only volunteers with seafaring experience would be accepted.

He stated that 320 out of 440 seamen were at work. The striking Seamen's Union claimed that only 100 were at work and that those included some sailors who had never left their posts. No more than 10 officers, all in the catering or administrative departments, were among those who had gone back, they claimed.

A statement released today by the striking seamen said that "the hope of those who yesterday postponed the Knesset discussion on the seamen's dispute, that the matter will be only an academic one, will not be realized. The seamen are stronger than ever now and will carry on the fight to its conclusion."

The seamen's dispute was one of the causes of a stormy Municipal Council session tonight. Mayor Matam demanded that the Council discuss the alleged sending of Municipal employees to the Haifa Sailors' Hostel on November 30 to help evict the striking seamen. The Mayor stated that the matter had been discussed and that any Municipal workers who had gone back to work were not authorized by the Council.

Army Traffic Court Suspends Licences

TEL AVIV, Wednesday. - An Army Seren was fined IL5 and had his license withdrawn for six months by an Army Traffic Court recently for driving a military vehicle at 80 kilometres an hour in a built-up area, "Bamahaneh," the Army weekly reported today.

A Sagen Mishne had his license withdrawn for three months for speeding at 83 kilometres an hour on an open road. A soldier who drove at 100 kilometres per hour in open country was sentenced to 21 days in prison, and had his license withdrawn for six months, while a civilian who drove a military truck at 80 kilometres an hour in a built-up area was sentenced to 21 days in prison, the weekly reported. No further details were given.

A military jeep driver was severely injured in Rehov Pinak here today when his jeep collided with a stationary truck. He was taken to the Tel Hashomer Hospital. ITM reported.

LAUNDRY PRICE RISE IS UNAUTHORIZED

The 30 per cent increase in laundry and dry cleaning prices approved by Tel Aviv establishments was yesterday termed unauthorized by the Ministry of Commerce and Industry.

Charging that the increase was decided upon while negotiations were still in progress between the proprietors and the Ministry, the statement asserted that prevailing prices are still binding. A 30-pruta increase in prices has, however, been approved for steam laundries. The Ministry announced.

Ration News

JERUSALEM DISTRICT: Cereals: 50 grams, Kat 23, Vegetable: 50 grams, Kat 23, Tea: 40 grams, Kat 23, Sugar: 50 grams, Kat 23, etc. The list continues with various ration items and their allocated amounts.

Personal Notice

We wish to extend our heartfelt congratulations to ANATOL AND HILDE GUREWITCH on the occasion of the birth of their first SON. MEMBERS OF "YUVAL" ISRAELI CONCERT CORPORATION.

2 Sudanese Parties Lobbying in U.N.

GENEVA, Wednesday (Reuter). - An appeal for world-wide aid to refugees was issued here today by leaders of five U.N. organizations and 18 international voluntary bodies, including Christian and Jewish welfare agencies.

It called on leaders of governments, churches, organizations, industry and labour to initiate effective plans to aid refugees.

Slow Up Arms Race, U.S. Magnate Warns

NEW YORK, Wednesday (Reuter). - An American business chief warned today against serious economic and political disturbances in NATO countries from defence preparations against a war, which he believed, Russia would not start in the foreseeable future.

Mr. Philip D. Reed, New York General Electric Company Chairman, said the current rearmament programme should be rephased, "the peak or bulge taken off, and spread over two to four additional years."

Addressing an International Conference sponsored by the National Association of Manufacturers to develop means of increasing the productivity of the free nations, he added:

"I believe the evidence indicates that Russia will not deliberately precipitate another world war within the foreseeable future, and I am convinced that if the NATO countries undertake to meet the defence production schedule as recently formulated and scheduled, serious economic and political disturbances will result."

Informal Talks On Enosis in Paris

NICOSIA, CYPRUS, Wednesday (Reuter). - Today's Greek morning papers in Cyprus published reports under splash headlines that informal talks will soon begin in Paris between Sir Alan Burns, British delegate to the Trusteeship Council, and members of the Cyprus right-wing delegation now lobbying at the U.N. Assembly for Enosis (Union with Greece).

The reports said the initiative for these talks came from the British delegation through diplomatic channels. Their aim would be to "discuss methods of improving colonial administration in Cyprus."

The Cyprus delegation had accepted the British approach and had agreed to keep the talks on an informal level, the reports added.

British Firm To Build Fertilizer Silo Here

LONDON, Wednesday (Reuter). - Contracts in Pakistan and Israel worth £500,000 have been secured by a British firm of civil engineers, Cementation Ltd., of Doncaster, Yorkshire. The work includes building a 45,000 ton fertilizer silo in Israel and the consolidation of 50 piers in a big irrigation project - the Sukker Water Barrage in the Sind Desert, Pakistan.

Chinese Priests In Shanghai Arrested

HONGKONG, Wednesday (Reuter). - An official Communist report received here from the Chinese mainland today said Shanghai authorities had recently arrested four Chinese priests who were leading members of the Catholic organization, Legion of Mary, which the Communists have outlawed.

The report accused them of "engaging in counter-revolutionary activities at the instigation of imperialism."

A salvo of the s.s. Redmeh, Haim Gafni, 28, of Nahariya, was arrested by the Haifa Port Police yesterday for an alleged attempt to smuggle IL125, \$20 in cash and \$20 in cheques out of the country. A woman about to leave in the same ship was also detained when a foreign currency draft was found on her.

The first soap and chemicals factory in Beerseba recently began production. The Ministry of Commerce has ordered that its products not be sold to retailers until January.

WITNESSES DEFEND WAR CRIMES TRIAL ACCUSED

TEL AVIV, Wednesday (ITM). - Showing widely that it was a candidate for the Knesset in the recent elections and a Zionist leader in Hungary, Mr. Louis Horowitz, a witness for the defence in the case of Ilas Trenk, charged with war crimes, objected to a statement by the prosecutor, Mr. A. Dinari, that legal proceedings would be instituted against him for giving false evidence.

Horowitz, who is also a witness in another war crimes case before the District Court, said that the accused is not guilty. Any information about her activities would have come to his notice when he was a member of an anti-Nazi underground movement during the war.

Penicillin Scientist Denied U.S. Visa

WASHINGTON, Wednesday (Reuter). - Dr. Boris Chaim, German-born, British-naturalized Nobel Prize winner, has been denied a visa to enter the U.S. No specific reason was given.

Dr. Chaim shared the 1945 Nobel prize for physiology and medicine with Sir Alexander Fleming and Sir Howard Florey, for his work, leading to the discovery of penicillin. He devised a method of extracting penicillin from common green mould.

He was barred when he sought to come here on a mission for the U.N. World Health Organization last April, and again when he sought to speak at a dinner in New York last week to raise funds for the American Committee of the United Nations.

In a letter to Mr. Meyer Weiss, Executive Vice-Chairman of the Institute of the American Committee, Dr. Chaim said he was "no expert Communist, though I am a Communist sympathizer."

He wrote that he thought his visa application might have been denied because he visited Czechoslovakia to advise on the use of penicillin-producing machinery in 1946. Dr. Chaim went back to Czechoslovakia last February to spend a few days at a municipal spa as a cure of rheumatism (trade union). In a letter which Mr. Weiss made public, Dr. Chaim denied having had any contact with politics.

Dr. Chaim who is 45, was born in Berlin. He is a Jewish parent.

Cables in Brief

VIENNA, Wednesday (Reuter). - The Soviet Union has agreed to accept the Czechoslovak Republic as a member of the United Nations. The Soviet Union has also agreed to accept the Czechoslovak Republic as a member of the United Nations.

INDIA'S President, Dr. Rajendra Prasad, and Prime Minister Jawahar Lal Nehru, arrived in New Delhi for the International Conference on the Indian Subcontinent, which opened yesterday.

DEAD. - Dusan Hladky, a Czechoslovak pilot who had devoted his life to the cause of international peace and social and educational activities, died in Birmingham Tuesday, aged 58. He was the widow of George Chaim, a founder of the well-known British chocolate firm.

SURVIVOR. - Mr. Joseph Hahab, a Jew of Maria Ambros, near Vienna, who survived Nazi concentration camps, has celebrated his 100th birthday. He and his wife, Mrs. Hahab, were sent to a concentration camp in 1941, when all the sons and two daughters were killed.

LUCKY. - Two British Vampire jet fighters crashed and two made forced landings in bad flying weather over Westphalia, Friday, but none of the pilots was injured.

S. African Colonial Policy Censure

PARIS, Wednesday (Reuter). - A group of nations were yesterday working on a joint resolution criticizing South Africa's failure to cooperate closely with the U.N. in the administration of the former German colony of South West Africa.

The resolution, to be introduced into the Trusteeship Committee, was understood to make the following principal points:

● South Africa's refusal to submit reports on its administration of the territory should be regretted.

● The General Assembly should urge South Africa to reconsider its attitude.

● Negotiations between South Africa and a special committee set up by the Assembly last year should continue.

● No unilateral action by South Africa to incorporate South West Africa into its territory could be sanctioned by the U.N.

The nations which were so far understood to be associated with the draft resolution are: Brazil, Cuba, Guatemala, India, Iraq, Pakistan, Philippines, Siam and the U.S.

The draft resolution is not expected to come before the committee before next week.

THE SAAD HOME AID SOCIETY

will hold a Fashion Show at the home of Mrs. M. Hooten, 8 Rehov Balfour, Jerusalem, on Sunday, December 16, at 4.30 p.m.

IN AID OF THE HANUKKA TOY FUND

Latest Paris Models - Furs by Stephan Braun, Tel Aviv. Dresses & Coats by Rovell, Jerusalem. Handbags & Accessories - "Pinati," Jerusalem.

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THE JERUSALEM POST

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Army Turns Back Clock in Syria

By GIDEON WEIGERT

THE clock has been put back for the second time in Syria during the last three years. In March, 1949, the "hero" of the first Damascus coup d'état, Kurdish-born Col. Husni A-Zaim, took over in Syria. Now the "hero" of the fourth coup has copied his teacher. In order to keep the People's Party "at bay" Col. Adib Shishakly dissolved Parliament, announcing his intention to hold new elections.

While Col. A-Zaim in his day arrested President Shukry Kuwaty and exiled him from the country, Col. Shishakly, a much weaker and less gifted personality, achieved the same end by forcing aged President Hashem el Attal to resign. Yet Shishakly Col. A-Zaim secured Egyptian recognition for his regime a month after its establishment, today almost the entire Arab world seems to be — if not in open opposition — at least reserved towards Shishakly. Jordan and Egypt have expressed their regrets, and Lebanon has announced that it will remain aloof. The bulk of the Iraqi parties, backed by the Baghdad government, have come out in open opposition to the Damascus dictator, asking the Arab League to step in and restore constitutional order in Syria.

'Blow to Egypt'

There is little doubt that Col. Shishakly has chosen a bad time for his new coup. Judging from Cairo press comment, Egypt's attitude stems less from objections in principle to the army regime in Damascus than from the feeling that a recent March has been given to the Security Budget and that Land Bonds have been suspended, in its own indication of a new approach which finds another expression in the inclusion of what the Minister termed "the bulk" of defence expenditure in the Ordinary Budget. With IL.5m. against IL.12m. last year, and IL.7.5m. in 1949/50, this item alone explains in part the higher total of the new Budget, but it leaves us guessing whether the undisciplined part of defence expenditure which is not covered by internal revenue, is nearer ten, or twenty million, or more.

Another new item, new at least in its present form, is the inclusion of IL.5.5m. for absorption of immigrants, hitherto the responsibility of the Jewish Agency, whose own resources are apparently no longer sufficient to shoulder the whole burden. It was to be expected that sooner or later the State would have to increase its share in the outlay of \$2,500 to \$3,000 required for every immigrant, and it is not surprising that Mr. Kaplan should have confirmed the need for more rational selection and employment of newcomers. Apart from these two items — the larger share in the Defence appropriation coming out of the ordinary revenue and the expenditure for immigration settlement, there still remains an increase in appropriations out of proportion to the increase in population and services. This is clearly the result — if not a cause — of inflation.

A closer scrutiny of the many items of the new Estimates, and in particular of the new programme for income tax reform, is obviously required before an objective appraisal could be made. But even without such analysis, the figures speak at least as eloquent a language as Mr. Kaplan's comment. The only lesson to be drawn at the present moment is that the financing of the Budget is itself in the balance, and that it would be a fatal delusion to believe that this arithmetic equilibrium can be maintained if the renewed attempt to overcome the foreign currency crisis by increased output at home has as little success as, by Mr. Kaplan's own admission, it has had in the past.

Neither grants nor loans nor loans will ultimately decide whether the Minister's hope that between 1957 and 1960 Israel will become independent from foreign economic aid is more than wishful thinking. The answer can only come from the people of Israel themselves, who must begin to earn what they spend on both guns and butter. The alternative is to spend only what they earn, for solvency is as important a factor in security as armaments themselves.

Yemen Protests Aden British Bases

PARIS, Wednesday (AP). — Yemen has protested to Britain about the construction of military airports and roads in Aden, U.N. Arab sources said here today. No satisfactory reply has been made to the protest, which was delivered in London, the Arab sources said.

The Arab states will place any value on results of elections carried out under military supervision. But far more important is the fact that Col. Shishakly under-estimated the fundamental changes which Syria has undergone in the last two years, or the lessons which its political leaders learned from constant army interference in civilian affairs.

Anti-Army Bloc

The experiment of Premier-designate Hamed Chouja to set up a coalition cabinet without "A-Shaab" has shown clearly that even the bloc of 18 independent Syrian statesmen, known as anti-"A-Shaab" members of Parliament actually identified themselves with the major aims of this majority group. This newly-created bloc agreed to participate in a caretaker cabinet on three conditions, 1) no civilians should be tried by army courts, 2) a civilian should occupy the post of Minister of Defence, 3) Col. Shishakly should be forced to resign as C.I.C. of the army. It is clear that under such circumstances there is little hope that free elections will result in a Parliament, even slightly loyal to the army clique. Results are more likely to be the nation's desire to rid itself of its army chiefs.

Founded in 1948 and re-organized in 1949, "A-Shaab" is mainly composed of a new Syrian generation of politicians. Representing big commercial and industrial circles mostly concentrated in Aleppo and the North, "A-Shaab" due to its strong organization, was the only Syrian party which dared voice open opposition to A-Zaim. Although most leaders such as Assad Tallas and Adnan el Attal were exiled by the Syrian dictator in 1949, the party emerged from the wave of terror perhaps stronger than before.

Col. Shishakly can avert "A-Shaab's" victorious return by Army-rigged elections conducted in an atmosphere of terror — as a free election would bring his most violent rivals back to Parliament. There is, too, always the possibility of elections similar to those run by A-Zaim in June, 1949, when the then dictator of Syria was the only candidate.

NEW PLANS FOR POTASH COMPANY INITIALED IN JERUSALEM



Personalities who brought about the agreement initialed in Jerusalem yesterday between the Government and the Palestine Potash Company are left to right: Mr. I. Brodie, Mr. M. Novomeysky and Lord Glenconner, Company officials, Mr. P. Naphthali, Minister without Portfolio; Mr. D. Horowitz, Government Economic Adviser; Mr. L. Bakol, Minister for Agriculture and Development; Mr. D.S. Pinkas, Minister of Communications; and Mr. A. Citron, of the Company. Photo by Eisenstark

Truman Tries to Cut Military Budget

By ALASTAIR BUCHAN

WASHINGTON. — A particularly unhappy, pre-occupied civil servant walking along the streets of Washington this week or next is sure to be working on estimates for the budget message which the President will deliver to Congress on January 12. Budget-making is always a headache for civil servants, but in the U.S. it is made particularly difficult because the budget is presented six months before the beginning of the period to which it applies. The estimates of revenue and expenditure must be made within the next few weeks to cover the period from July 1, 1953 to the end of June, 1953, and a major job of crystal-gazing is required to forecast what money will be required.

It is the military budget which is giving the President and his advisers the most trouble at the moment. Last year, when the Korean war was only a few months old and the whole of American military policy was being drastically reorganized, they found the attempt beyond their powers and delayed presentation of the defence budget for some time. This was not popular with Congress, and this time the President has decided to present a detailed 1953-54 military budget in January.

Election Budget

The next budget will be passed by a Congress on the verge of Presidential and Con-

gressional elections. Therefore, the Administration must keep the demand for money as low as possible to ensure its passage through Congress. Around this time all politicians are especially sensitive to charges of wasteful expenditure, and the Administration is anxious not to overstrain the popular support for rearmament by hitching its claims too high. It is rumoured that the military budget will be only about 45 thousand million dollars for 1953/3 as opposed to about 70 thousand million for the current year. Some observers think that the figure may be as low as 40 thousand million.

Long-Term Contracts

In theory, this is a reasonable policy. It was assumed when the current budget was presented that it would be higher than any of its successors, because it involved payment for a great deal of non-rearmament capital expenditure on such items as expansion of factory capacity and assembly lines. Moreover, provision included was for contract payments for elaborate equipment like bombers which would not be completed for several years. In other words, in any period after 1951/2 a smaller amount of money would produce as great or a greater flow of armaments.

But this assumption has been upset by the decision finally signed and sealed in the Pentagon to expand the U.S. Air Force. Nor does it seem that this will be accompanied by equivalent reductions in the Navy and the Marine Corps will all be increased in manpower and equipment. It is true that expansion of the Air Force on this scale can not all be undertaken during the next financial year; heavy bomber groups will probably not be completed in less than four years. Even so, if the next military budget is to take account of this expansion it must provide for money to be committed on long-term contracts.

Two other factors also make for greater expenditure. One is the possible development of atomic weapons for use on the battlefield. The cost of producing atomic energy is paid for through the budget of the Atomic Energy Commission, but the cost of developing and constructing atomic weapons is a matter for the Pentagon, and if there is to be any substantial advance in this field, as now appears probable, it will inevitably mean greater military expenditure.

Korean Drain

The other is General Eisenhower's decision to concentrate on having nearly thirty divisions of NATO forces in Europe brought up to full strength as soon as possible. This means that actual production of U.S. weapons and vehicles will have to increase substantially to bring French and other European divisions up to battle readiness. Much of this increase can be met out of funds already appropriated, but it was not contemplated; next year's military budget was planned to show a substantial reduction.

If the military budget is

really to be reduced by some fifteen thousand million dollars the Chiefs of Staff must be working on the assumption that the war in Korea will be over, and that the U.S. military commitment in the Far East will be radically diminished. The exact cost to the U.S. of maintaining the 8th Army in Korea and the Far East Air Force and Navy are not known, but it is undoubtedly the most costly local action ever fought, and the transport alone of men, equipment and

supplies over 3,000 miles of sea is a vast drain of money, made more costly by the American system of replacing fighting men with those at home. If for any reason it can not be assumed that the Korean war will end before the financial year 1952-3 is well advanced, it is highly doubtful that the Administration can present a smaller military budget to Congress, however much it may wish to do so.

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Readers' Letters

POTASH PRODUCTS

To the Editor of THE POST

Sir, — Your recent article, "The Potash Concession in Abeyance," by M.A. Novomeysky, has been brought to my attention. I would very much appreciate it if you would give me the opportunity of expressing the views of a user of the Palestine Potash Company's products.

Prior to the destruction of their works, my Company bought from the Palestine Potash Company not only potassium chloride but also some specially prepared carnallite which they produced particularly for us. This product was a most essential ingredient in some of our metallurgical compounds and we have been caused a very considerable amount of inconvenience through no longer being able to purchase it. We had a considerable stock of this material when the "War of Liberation" ended and we were naturally expecting that every effort would be made to re-start the works, with a view not only to supplying us but also obtaining the much-needed foreign currency for the new State.

Mr. Novomeysky explains the background, an explanation which was very much overdue. I am greatly disturbed by the apparent lack of initiative and effort to ensure that everything possible would be done to get these works started and supplies made available to former customers. I am all the more perturbed as we, as Jews and Zionists, are constantly and quite rightly asked to give contributions towards various causes connected with Israel. This we are quite willing to do but the least we expect in return is that every effort should

be made within Israel itself to put its house in order and earn as much currency as is possible.

Yours, etc.
ERIC WEISS
Foundry Services Ltd.
Birmingham, England No. 26.

POLICE COURTESY

To the Editor of THE POST

Sir, — So much criticism is levelled at the Police that I feel the following incident should be noted as counter-balance.

Early Saturday morning (2 a.m.) I rushed to the Jerusalem police headquarters to phone for a taxi to take my wife to the hospital. My wife was with me. Before I could phone, Mr. Lehmann, Deputy Superintendent of the Jerusalem District, who happened to be there at the time, promptly offered to drive us to Shaarei Zedek Hospital, where my wife gave birth to a daughter a few hours later. May this courteous act be duplicated so often that it becomes commonplace and does not call for a special "thank you".

Yours, etc.
ZVI GROSS
Jerusalem, Dec. 1, 1951.

PEN FRIENDS

I would like to contact any of your readers interested in exchanging stamps. Muebe Cohen, P.O.B. 782, Tel Aviv.

I would like a pen pal in Israel. I am 13 and interested in stamp collecting. Eddie Diamond, 2325 Grimsby Lane, Lincoln, Nebraska, U.S.A.

I would like to exchange stamps with someone in Israel. Mrs. Edna McCarty, June of the Peace, "Edrie" 12 Richmond Rd., Rose Bay, Sydney, Australia.

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By request, we are extending the period of registration: Sunday and Monday, December 9 and 10: 9-11 a.m. Sunday and Monday, December 14 and 15: 9-11 a.m. These dates are final.

Register in Jerusalem at the Ministry of Education and Culture, Rehov Hanan'el, Mr. Wertheimer, Tel Aviv at the Department of Education, 50 Shderot Rothschild — Mr. M. Ish-Shalom. Haifa at the Department of Education, 16 Banks St. Ministry of Education and Culture.

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